U.S. Department of Agriculture

Rural Development

Rural Utilities Service

Welcome

to

Connecting Rural America

Rural Utilities Service

Program Objectives

- Develop infrastructure in rural communities to promote rural economic development and improve public health, safety and overall quality of life.
- Provide affordable financial assistance to rural areas and towns to develop water supply, sewage, storm water, and solid waste disposal systems.

Various Water and Waste Disposal Programs

- Water and Waste Disposal (WWD) Loans and Grants
  - RUS Instruction 1780 - Direct Loans and Grants
  - RUS Instruction 1779 - Guaranteed Loans

- Loans may be made to develop water and wastewater systems, including solid waste disposal and storm drainage, in rural areas.
- Priority is given to public entities in areas with less than 5,500 people to restore a deteriorating water supply or to improve, enlarge, or modify a water facility or an inadequate waste facility.
- Grants may be made in conjunction with loans to reduce user costs to a reasonable level.

Various Water and Waste Disposal Programs

- Water and Waste Facility Loans and Grants to Alleviate Health Risks (Section 306C Program)
  - RUS Instruction 1777

Loans and grants are available to low-income rural communities whose residents face significant health risks because they do not have access to water supply systems or waste disposal facilities. Grants are available to provide water or waste services to designated colonias in Arizona, California, New Mexico and Texas. Grants may be made in conjunction with loans and up to 100 percent of the eligible project cost.

***Note**: No loan funds have ever been appropriated under this authority.*

Various Water and Waste Disposal Programs

- Solid Waste Management Grant (SWM) Program
  - RUS Instruction 1780

Grants available to both public and private, non-profit organizations to provide technical assistance and training to communities to reduce or eliminate pollution of water resources and improve planning and management of solid waste disposal facilities in rural areas. Assistance may be provided to enhance operator skills, identify threats to water resources, and reduce the solid waste stream.

Examples of technical assistance include developing solid waste reduction programs, providing public education and outreach, and assisting local governments and business in managing the solid waste stream.

Various Water and Waste Disposal Programs

- Emergency Community Water Assistance Grants (ECWAG)
  - RUS Instruction 1778

  Intended to assist rural communities when disaster strikes and causes significant decline in the quantity or quality of potable water. Presidential declaration required.

Eligible Applicants

- Public bodies or governmental entities
  - Municipalities
  - Counties
  - Districts (i.e., Special Utility District, Municipal Water District, Water Control and Improvement District, etc.)
  - Other political subdivision of a state, territory or commonwealth
- Nonprofit organizations
  - Associations, cooperatives or private corporations which can demonstrate significant ties with local rural community
- Native American Tribes

Eligible Applicants

- Must serve rural areas
  - Cities, towns, or unincorporated areas that have a population of 10,000 or less inhabitants.
  - Eligible facilities must serve rural areas only. WWD loans and grants must finance only the portion of facilities serving rural areas, but the facilities may be located in non-rural areas.

Types of Eligible Facilities

- Water
  - Wells
  - Water supplies
  - Water lines
  - Water storage tanks
  - Water testing equipment
  - Computers
  - Buildings
  - Public improvements
- Waste
  - Wastewater treatment plants
  - Sewer lines
  - Collection tanks
  - Monitoring equipment
  - Effluent
  - Public improvements

Types of Eligible Facilities

- Solid Waste Disposal
  - Landfills
  - Incinerators
  - Liners
  - Holding ponds
  - Recycling equipment
  - Public improvements
- Storm Wastewater Disposal
  - Collection layout for line improvements
  - Pumping stations
  - Storage
  - Treatment
  - Line improvements
  - Public improvements

Grant Eligibility Factors

- MHI must be less than 80% of the state non-metropolitan MHI ($24,700*) to qualify for **up to 75%** grant **and/or** the **poverty** rate of interest.
- MHI must be less than the state non-metropolitan MHI ($30,876*) to qualify for **up to 45%** grant and the **intermediate** rate of interest.
- If the MHI exceeds state non-metropolitan MHI ($30,876*) applicant qualifies for **market** rate of interest…**no grant consideration**.

Grant Eligibility Factors

- Comparable System Costs
  - Grant assistance may not be used to lower the user cost of the service below that provided by similar systems.
- Availability of Funds
  - Even though an applicant may meet all the requirements for a grant, the actual grant they receive may be limited by the amount of funds available from the WWD allocation, the amount of cash on hand, or the amount of funding from other sources that is available for use in the project.

Grant Eligibility Factors

All projects should initially be considered on a loan-only basis. The loan specialist, with the assistance of the state office staff, will determine final grant assistance, if any, at the time the application is reviewed for financial feasibility.

FY 2003 Funding

- Under the regular Water and Waste Disposal loan and grant program Texas USDA Rural Development obligated 44 projects totaling $64,490,469.

- Of these 44 projects, the ratio was approximately 60:40, with $39,431,900 in loan, and $25,058,569 in grant.

FY 2003 Funding

- Under Section 306C, “Colonia” grant projects were obligated for a total of $8,603,308.

- A total of 55 RUS projects were obligated in FY 2003 for $73,632,277.

Resources

- RUS National Regulations
  - ***www.usda.gov/rus/water/***

    At this web site, you will find links to regulations, bulletins (forms), procedure notices, current interest rates, and proposed regulations.

- Texas Regulations
  - ***www.rurdev.usda.gov/tx/rus.htm***

    This web site will provide access to **Texas** regulations and bulletins (forms) for the WWD program.

Resources

- Census Data
  - *factfinder.census.gov*
- Catalog of Federal Domestic Assistance (Department of Agriculture)
  - *aspe.hhs.gov/cfda/ideptagr.htm*

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Engineering